

Michael J. Rose

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11 :36AM 1 Q. Okay. All right.
 11 :36AM 2 A. So my suggestion to the leaders, and we
 11 :36AM 3 used several outside consultants to validate this,
 11 :36AM 4 was that we could save between 1- and 1.2 billion
 11 :37AM 5 off of that run rate to be -- coming again, back to
 11 :37AM 6 that top quartile price performer, that there was a
 11 :37AM 7 lot more than \$300 million there to be gained.
 11 :37AM 8 MR. ERNSTER: Objection. Again,
 11 :37AM 9 nonresponsive.
 11 :37AM 10 BY MR. WICKLIFF:
 11 :37AM 11 Q. All right. Now, when you joined Shell,
 11 :37AM 12 was there a person by the name of Jay Crotts
 11 :37AM 13 employed with Shell?
 11 :37AM 14 A. Yes.
 11 :37AM 15 Q. What was his job when you first joined
 11 :37AM 16 Shell?
 11 :37AM 17 A. He was part of the ITPS organization
 11 :37AM 18 I mentioned earlier, and I believe he had
 11 :37AM 19 responsibility for the Americas, but I'm fuzzy
 11 :37AM 20 on that. I can't recall.
 11 :37AM 21 Q. Okay. Did you at some point place him in
 11 :37AM 22 a leadership role within IT?
 11 :38AM 23 A. Well, he was in a leadership role as a
 11 :38AM 24 player in ITPS.
 11 :38AM 25 Q. Okay.

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11 :38AM 1 A. I asked him to come in and take the
 11 :38AM 2 direct responsibility for what we called "SR and P";
 11 :38AM 3 Strategic Relations and Procurement, which were two
 11 :38AM 4 separate functions, and I asked him to take the
 11 :38AM 5 interim role of starting that up.
 11 :38AM 6 Q. Okay. Why did you ask him to take the
 11 :38AM 7 interim role?
 11 :38AM 8 A. Because I wanted to ensure that we got
 11 :38AM 9 after the savings that were just sitting there
 11 :38AM 10 waiting for us, so I wanted to work with our
 11 :38AM 11 procurement colleagues. I wanted to create a
 11 :38AM 12 channel for the IT industry to sell in in a
 11 :38AM 13 disciplined fashion into Shell, and I wanted to
 11 :38AM 14 rally the other IT leaders; those who reported
 11 :39AM 15 directly to me and were dotted line to me, in a way
 11 :39AM 16 that we could actually funnel and create that
 11 :39AM 17 channel.
 11 :39AM 18 Because people were talking to vendors all
 11 :39AM 19 over the place, making commitments, actually signing
 11 :39AM 20 purchase orders, and I wanted to stop that anarchy
 11 :39AM 21 and create some discipline.
 11 :39AM 22 So I knew what my long-term vision was.
 11 :39AM 23 As I had mentioned, when I started the first week I
 11 :39AM 24 said the perfect person to lead this would have sold
 11 :39AM 25 for IBM or Accenture for 15 years. Jay was a very

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11 :39AM 1 good player and I felt we could get things started
 11 :39AM 2 with somebody like Jay, but I made it clear to him
 11 :39AM 3 that I didn't think he had the qualifications, nor
 11 :39AM 4 did I personally, to do what I wanted to see done in
 11 :39AM 5 this role long term. But I wanted to get things
 11 :39AM 6 started.
 11 :39AM 7 Q. Okay.
 11 :39AM 8 MR. ERNSTER: Objection. Nonresponsive.
 11 :39AM 9 THE WITNESS: What does that mean, may I
 11 :39AM 10 ask?
 11 BY MR. WICKLIFF:
 11 :39AM 12 Q. It's just something that he has to do
 11 :39AM 13 to preserve some objections. We're not going to
 11 :39AM 14 address that. He just goes on the record and makes
 11 :40AM 15 those comments.
 11 :40AM 16 A. Okay. Thank you.
 11 :40AM 17 Q. All right. As time proceeded with
 11 :40AM 18 Jay Crotts in the interim role in charge of SRM, did
 11 :40AM 19 you change your opinion about whether he was in fact
 11 :40AM 20 the right person to be the permanent SRM?
 11 :40AM 21 A. No, I didn't. And I thought he did a
 11 :40AM 22 really good job through the startup phase, and he
 11 :40AM 23 did exactly what I wanted in interim, and he wanted
 11 :40AM 24 to keep the job. He wanted -- he wanted to make it
 11 :40AM 25 permanent.

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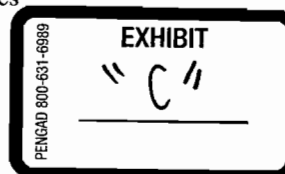
11 :40AM 1 Q. He made that clear to you?
 11 :40AM 2 A. Yeah. He made it very clear to me. He
 11 :40AM 3 attempted to use all of his persuasive abilities to
 11 :40AM 4 convince me of that, and we had very open and candid
 11 :40AM 5 conversations about it.
 11 :40AM 6 Q. Okay. Is he a white male?
 11 :40AM 7 A. He is a white male, yeah.
 11 :41AM 8 Q. Okay. And is he over age 40?
 11 :41AM 9 A. He was not at the time; I believe he is
 11 :41AM 10 now.
 11 :41AM 11 Q. Okay.
 11 :41AM 12 A. He was in his late 30s at the time, I
 11 :41AM 13 believe.
 11 :41AM 14 Q. All right.
 11 :41AM 15 MR. ERNSTER: Hello?
 11 :41AM 16 MR. WICKLIFF: We're still here.
 11 :41AM 17 MR. ERNSTER: Okay. Sorry.
 11 :41AM 18 BY MR. WICKLIFF:
 11 :41AM 19 Q. All right. So just to go back and clear
 11 :41AM 20 things up. You felt -- if I could summarize, what
 11 :41AM 21 you said was the difference between the SRM and
 11 :41AM 22 procurement was that those were in fact two
 11 :41AM 23 different functions and the SRM role was a separate
 11 :41AM 24 role that you envisioned would work hand in glove
 11 :41AM 25 with the procurement people to upgrade the

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<p>11 :56AM 1 A. Because the focus was -- I didn't call</p> <p>11 :56AM 2 him an SRM. I called him the Manager of Strategic</p> <p>11 :56AM 3 Relations and Procurement.</p> <p>11 :56AM 4 Q. Okay.</p> <p>11 :56AM 5 A. And so the vision was always to, you know,</p> <p>11 :56AM 6 create this long-term capability where I didn't care</p> <p>11 :56AM 7 where procurement reported; it could report to Kees</p> <p>11 :56AM 8 Linse, and if it didn't, it would report to me, but</p> <p>11 :56AM 9 I would still subordinate to Kees' functional</p> <p>11 :56AM 10 leadership for procurement.</p> <p>11 :56AM 11 But my focus strategically was to be a</p> <p>11 :57AM 12 great partner for procurement, but do that by</p> <p>11 :57AM 13 bringing in real expertise with sales experience</p> <p>11 :57AM 14 to sit across the table from salespeople from the</p> <p>11 :57AM 15 IT industry selling into us.</p> <p>11 :57AM 16 When Jay went in there I said, "Your focus</p> <p>11 :57AM 17 is on the procurement side because that's where the</p> <p>11 :57AM 18 easy money is right now; the low hanging fruit. But</p> <p>11 :57AM 19 I always had the vision to bring in professionals</p> <p>11 :57AM 20 with that skill set that comes in</p> <p>11 :57AM 21 from years of selling and training to sell.</p> <p>11 :57AM 22 Q. Okay. Now, the persons who worked under</p> <p>11 :57AM 23 Jay Crotts were called interim SRMs, were they not?</p> <p>11 :57AM 24 MR. ERNSTER: Objection to form.</p> <p>11 :57AM 25 THE WITNESS: I don't remember what their</p>	<p>11 :59AM 1 I wanted a direct offset to those type of people.</p> <p>11 :59AM 2 I told her that I believed we needed to go</p> <p>11 :59AM 3 outside. If there were people inside with those</p> <p>11 :59AM 4 direct qualifications, that would be great, but I</p> <p>11 :59AM 5 hadn't run into anybody yet, and I had been there</p> <p>11 :59AM 6 for quite some time by then and had talked to other</p> <p>11 :59AM 7 people, you know, on the leadership team; "Do we</p> <p>11 :59AM 8 have these kind of people?" And they said, no, they</p> <p>11 :59AM 9 didn't believe we had them either.</p> <p>11 :59AM 10 So I said I think your sourcing will be</p> <p>11 :59AM 11 external. And I understand that, you know, you</p> <p>11 :59AM 12 will go to your own network to look for people and</p> <p>11 :59AM 13 I'm okay with that, but we also need to ensure</p> <p>11 :59AM 14 that we -- one of the toughest ones was to get</p> <p>11 :59AM 15 continental Europeans, primarily Dutch, if we could</p> <p>11 :59AM 16 find people, to be able fill some of those roles.</p> <p>11 :59AM 17 Q. Why was that important?</p> <p>11 :59AM 18 A. Well, for me, you know, I think part of</p> <p>12 :00PM 19 the problem was that we had a diversity issue on the</p> <p>12 :00PM 20 leadership team as far as country of origin. And</p> <p>12 :00PM 21 I'm an American, I came from the computer industry.</p> <p>12 :00PM 22 Christine was an American and came from the computer</p> <p>12 :00PM 23 industry. And over time I wanted to make sure that</p> <p>12 :00PM 24 we had, you know, a diverse team, especially since</p> <p>12 :00PM 25 we're a European-headquartered company and we're</p>
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<p>11 :57AM 1 titles were.</p> <p>11 :57AM 2 BY MR. WICKLIFF:</p> <p>11 :57AM 3 Q. Okay.</p> <p>11 :57AM 4 A. I apologize.</p> <p>11 :57AM 5 Q. All right. Now, even though Christine</p> <p>11 :57AM 6 Moore did not have procurement experience, she was</p> <p>11 :58AM 7 the group leader of SRM and P?</p> <p>11 :58AM 8 A. Yes. SR and P.</p> <p>11 :58AM 9 Q. Okay. What did you -- advice did you give</p> <p>11 :58AM 10 Christine Moore about how to go about hiring SRMs</p> <p>11 :58AM 11 who have the qualifications that you envision, this</p> <p>11 :58AM 12 outside sales consultative experience?</p> <p>11 :58AM 13 A. Well, let me attempt to recall. I can't</p> <p>11 :58AM 14 recall this verbatim. The gist of the advice was</p> <p>11 :58AM 15 we need people who have the kinds of experience that</p> <p>11 :58AM 16 she had, so I need people that were primarily</p> <p>11 :58AM 17 salespeople but also consultants if they were</p> <p>11 :58AM 18 responsible for selling.</p> <p>11 :58AM 19 What I didn't want is technical</p> <p>11 :58AM 20 consultants who were brought on to the job just to</p> <p>11 :58AM 21 deliver technology. I wanted somebody who was</p> <p>11 :58AM 22 involved in the sales cycle and the ownership of the</p> <p>11 :59AM 23 accounts, the real, you know, coming in and owning</p> <p>11 :59AM 24 their account and being able to maintain all the</p> <p>11 :59AM 25 relationship of that company coming in. Because I</p>	<p>12 :00PM 1 selling or buying from people that were selling from</p> <p>12 :00PM 2 the continent, the UK and the continent; both.</p> <p>12 :00PM 3 Q. Okay. Did you tell Christine Moore</p> <p>12 :00PM 4 that you felt that the persons who occupied the</p> <p>12 :00PM 5 interim SR positions were -- that they did not have</p> <p>12 :01PM 6 the qualifications to be permanent SRMs under her</p> <p>12 :01PM 7 leadership?</p> <p>12 :01PM 8 MR. ERNSTER: Objection. Form.</p> <p>12 :01PM 9 THE WITNESS: I don't recall telling her</p> <p>12 :01PM 10 in specific that -- just as you described it. I,</p> <p>12 :01PM 11 again, gave her the challenge of matching the</p> <p>12 :01PM 12 qualifications with candidates. None of the people</p> <p>12 :01PM 13 I met had the qualifications, but I don't recall</p> <p>12 :01PM 14 specifically saying what you just asked me.</p> <p>12 :01PM 15 MR. WICKLIFF: All right. Cletus, I'm</p> <p>12 :01PM 16 about to introduce an exhibit. I had a copy for you</p> <p>12 :01PM 17 or Mel if you were going to be here in person.</p> <p>12 :01PM 18 MR. ERNSTER: Are they Bates numbered,</p> <p>12 :01PM 19 Marty?</p> <p>12 :01PM 20 MR. WICKLIFF: Yes. It's EBG(045)-5813.</p> <p>12 :02PM 21 If you'll go ahead and mark this while</p> <p>12 :02PM 22 he's looking for it.</p> <p>12 :02PM 23 It is an email to Jay Crotts that's dated</p> <p>12 :02PM 24 June 18, 2003.</p> <p>12 :02PM 25 MR. ERNSTER: Okay.</p>

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<p>12 :14PM 1 you know, you're quota carrying, you're selling. It</p> <p>12 :14PM 2 doesn't match with the other resumes at all.</p> <p>12 :14PM 3 So, no, I would not say that he qualifies.</p> <p>12 :14PM 4 Certainly I would not pick this out of a blind stack</p> <p>12 :14PM 5 as a qualified candidate.</p> <p>12 :15PM 6 Q. Did you have any other information or</p> <p>12 :15PM 7 knowledge about Jimmy Fonteneaux that would lead you</p> <p>12 :15PM 8 to the conclusion that he was not qualified to be a</p> <p>12 :15PM 9 permanent SRM --</p> <p>12 :15PM 10 A. When?</p> <p>12 :15PM 11 Q. -- any knowledge or facts about him</p> <p>12 :15PM 12 that --</p> <p>12 :15PM 13 A. Prior to his appointment by Jay in the</p> <p>12 :15PM 14 interim role or subsequent to that?</p> <p>12 :15PM 15 Q. Either. Either before or even after. I'm</p> <p>12 :15PM 16 just trying to understand other than looking at his</p> <p>12 :15PM 17 resume, did you have any facts or knowledge that</p> <p>12 :15PM 18 supported your conclusion that he was not qualified</p> <p>12 :15PM 19 to be a permanent SRM?</p> <p>12 :15PM 20 A. Well, again, the conclusion that I just</p> <p>12 :15PM 21 came to was based on reviewing a resume.</p> <p>12 :16PM 22 Q. Yes.</p> <p>12 :16PM 23 A. I don't recall coming to a -- the</p> <p>12 :16PM 24 conclusion that you just asked me about so I'm a</p> <p>12 :16PM 25 little confused. I'm sorry. Could you restate?</p>	<p>12 :17PM 1 A. Steve Hamil was I believe the last hire by</p> <p>12 :17PM 2 Jay in the organization; he filled the last role.</p> <p>12 :17PM 3 Q. As an interim?</p> <p>12 :17PM 4 A. Well, yeah. I assumed it was interim.</p> <p>12 :17PM 5 That was certainly the expectation that I had.</p> <p>12 :17PM 6 Again, I did not -- you know, I met him after Jay</p> <p>12 :17PM 7 had made his decision. I believe that's correct.</p> <p>12 :17PM 8 I may have met him in the hallway before, I really</p> <p>12 :17PM 9 can't recall, but... Yes, I had, yes.</p> <p>12 :17PM 10 Q. Okay. Did he have the qualifications that</p> <p>12 :17PM 11 you were looking for for the permanent SRMs?</p> <p>12 :18PM 12 A. I don't have his CV or resume before me.</p> <p>12 :18PM 13 I don't believe he did. And in watching him,</p> <p>12 :18PM 14 because I was in a couple of vendor discussions with</p> <p>12 :18PM 15 Steve, I don't believe he exhibited certainly the</p> <p>12 :18PM 16 historic skills that I would have looked for in the</p> <p>12 :18PM 17 role.</p> <p>12 :18PM 18 Q. Do you know why he remained in the role?</p> <p>12 :18PM 19 A. My understanding was it was not explicitly</p> <p>12 :18PM 20 conveyed to him that he was interim. That's all</p> <p>12 :18PM 21 that I recall from it.</p> <p>12 :18PM 22 Q. Okay. Where was he physically located?</p> <p>12 :18PM 23 A. I believe London, but I'm not positive</p> <p>12 :18PM 24 about that. He's a UK citizen. I know that.</p> <p>12 :18PM 25 Q. All right. Did you gain any type of</p>
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<p>12 :16PM 1 Q. Well, did you observe his performance as</p> <p>12 :16PM 2 an interim SRM?</p> <p>12 :16PM 3 A. Yes. Yes.</p> <p>12 :16PM 4 Q. Okay. And what were your observations or</p> <p>12 :16PM 5 conclusions based upon his performance as an interim</p> <p>12 :16PM 6 SRM as to whether he could be a permanent SRM?</p> <p>12 :16PM 7 A. I did not believe he could.</p> <p>12 :16PM 8 Q. Why?</p> <p>12 :16PM 9 A. He exhibited the expected procurement</p> <p>12 :16PM 10 excellence in his approach to the job, much like</p> <p>12 :16PM 11 other interim procurement people in those roles did.</p> <p>12 :16PM 12 Focusing on the structure of the contract and the</p> <p>12 :16PM 13 relationship at its procurement roots and not</p> <p>12 :16PM 14 the relationship at its technology and ongoing</p> <p>12 :16PM 15 exploitation of that technology, which was really</p> <p>12 :17PM 16 key to the SR job.</p> <p>12 :17PM 17 Q. Okay. Did you have a similar opinion</p> <p>12 :17PM 18 about the other interim SRMs who worked with</p> <p>12 :17PM 19 Jay Crotts about their not being qualified to be</p> <p>12 :17PM 20 permanent?</p> <p>12 :17PM 21 A. Yes.</p> <p>12 :17PM 22 Q. Did you know a gentleman by the name of</p> <p>12 :17PM 23 Steve Hamil?</p> <p>12 :17PM 24 A. I did.</p> <p>12 :17PM 25 Q. Okay. Who was Steve Hamil?</p>	<p>12 :18PM 1 understanding about UK law preventing Shell from</p> <p>12 :18PM 2 terminating him from the SRM role?</p> <p>12 :19PM 3 A. I don't recall that. I don't believe I</p> <p>12 :19PM 4 did.</p> <p>12 :19PM 5 Q. All right. Who was responsible for</p> <p>12 :19PM 6 posting the permanent SRMs positions?</p> <p>12 :19PM 7 A. Well, the responsibility would be shared</p> <p>12 :19PM 8 by the hiring manager, who was Christine, and the</p> <p>12 :19PM 9 HR organization or department that supports her who</p> <p>12 :19PM 10 reported up to -- and I'm unclear who was in the</p> <p>12 :19PM 11 role when Christine assumed it. Pauline van der</p> <p>12 :19PM 12 Meer Mohr was the HR director when I started and</p> <p>12 :19PM 13 Gerard Pennings, or "Gerard" for recording, and I</p> <p>12 :19PM 14 think it was almost at that time where they were</p> <p>12 :19PM 15 doing a handoff themselves between Pauline who left</p> <p>12 :20PM 16 Shell and Gerard who joined as her replacement. So</p> <p>12 :20PM 17 it would be HR and the hiring manager.</p> <p>12 :20PM 18 Q. All right. And, to your knowledge, did</p> <p>12 :20PM 19 Christine Moore take under consideration those</p> <p>12 :20PM 20 persons who had been in the interim SRM role that</p> <p>12 :20PM 21 there was some type of review done of those persons</p> <p>12 :20PM 22 about whether they were qualified to be permanent</p> <p>12 :20PM 23 SRMs?</p> <p>12 :20PM 24 A. It's my understanding she did, yes.</p> <p>12 :20PM 25 Q. How would you describe Christine Moore's</p>

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